

Budget surplus a big deal


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By ARCHIE MOUNTAIN
Staff Writer

The financial picture at Sullivan County Health Care has improved considerably during the first seven months of the 2008-09 fiscal year over numbers of a year ago.

In fact, there could be a budget surplus  **Unity** when the year ends on June 30. "That would be huge," in the words of SCHC Administrator Ted Purdy.

For the entire 2007-08 fiscal year, the revenue shortfall at the nursing home was \$1.79 million. The revenue budget shortfall through Jan. 31, seven months into the

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current fiscal year, is \$116,847 or approximately 2 percent.

However, things are looking even better on the expense side of the ledger. Purdy said expenses for the seven-month period are under budget by about \$480,000.

At the end of the fiscal year on June 30, Purdy said there will probably be about \$200,000 in bills on paper remaining that will be charged to the 2008-09 budget when they are paid.

If there are no major surprises over the final five months of the year, that would

leave expenses under budget by approximately \$280,000. That would be enough to absorb a revenue shortfall up to that amount should that occur.

"I am very optimistic," Purdy said as he reviewed the current condition of the nursing home budget on Friday. He also said he is very encouraged by the latest numbers.

A more realistic nursing home occupancy projection is mainly responsible for the improvement in both the expense and revenue columns.

The nursing home is

licensed for 156 beds and the 2007-08 budget projected revenue and expenses based on an average daily occupancy of 153 beds. That never happened.

The budgeted average daily census number was set at 137 in the current budget. For the month of January the average daily census was right on at 137.7. In January 2008 it was 133.3.

"We tied projected revenue with staffing needs," Purdy said. Staffing at the nursing home has been reduced by 7.4 full-time equivalent personnel, according to Purdy.

"If all goes well we should be in good shape by the end of the year," the administrator projected.

"That's our hope. We're working diligently to do that," he stated.

In January the monthly revenue variance was in the black by \$4,430. The last time that happened was in October when the positive variance totaled \$14,688.

One thing that has apparently helped boost the daily census is referrals. "In general I think referrals have increased," Purdy stated.